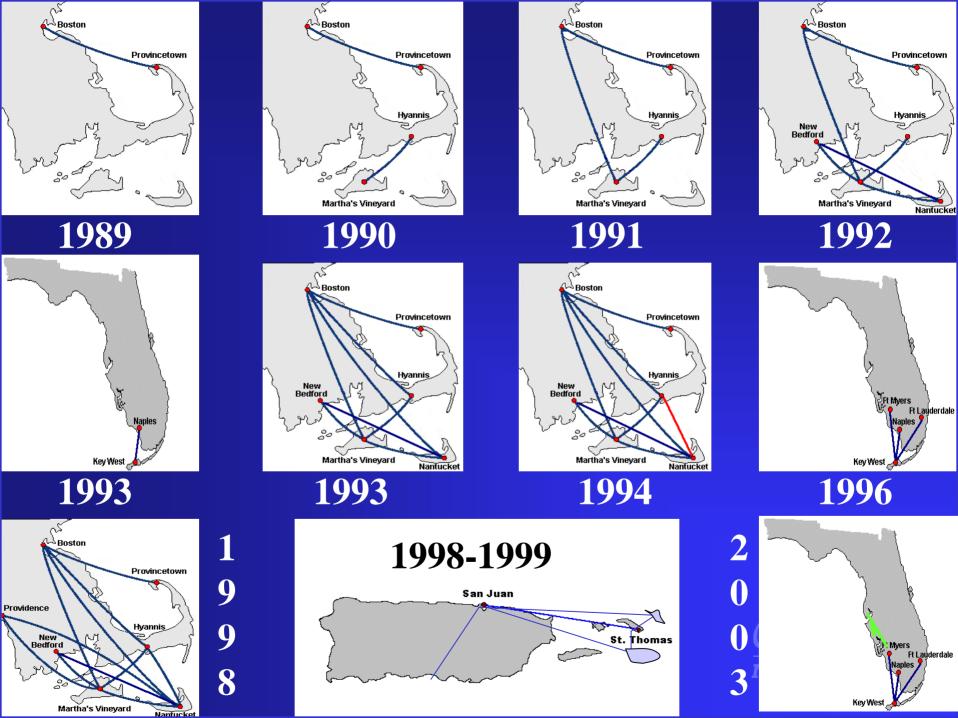


Welcome FAA Cessna Cessna Owner/operators March 3, 2004









Our mission

THighest level of safety to the public

Tongoing risk assessment to minimize risk

TPreservation of assets



Some Cape Air Stats

- Fleet of 50 Cessna 402 C's
- 120,000 Flights per year
- 50,000 Flight hours per year
- Low Altitude/Corrosive Environment

So Far...

- 13 Aircraft (26 wings) Inspected/Tested
- 29 Aircraft (18 wings) Completed
- **5** Lower Front Spar Caps Replaced
 - -4 field induced defects
 - -1 Factory induced defect
- 6 Lower Front Spar Caps repaired due to

field induced defects

The Job...

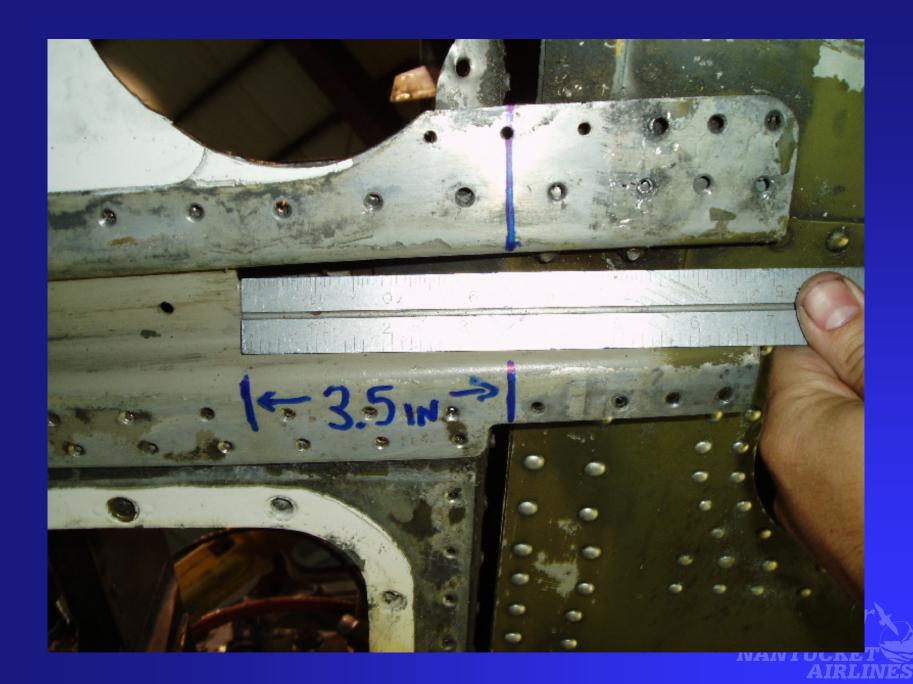
Labor Hours: 400-500 (MEB02-5 R1 calls for 485) for experienced mechanic with no additional repairs

To Change Spar Cap: 300-400 additional labor hours including: replacement of leading edge and removal and installation of firewall

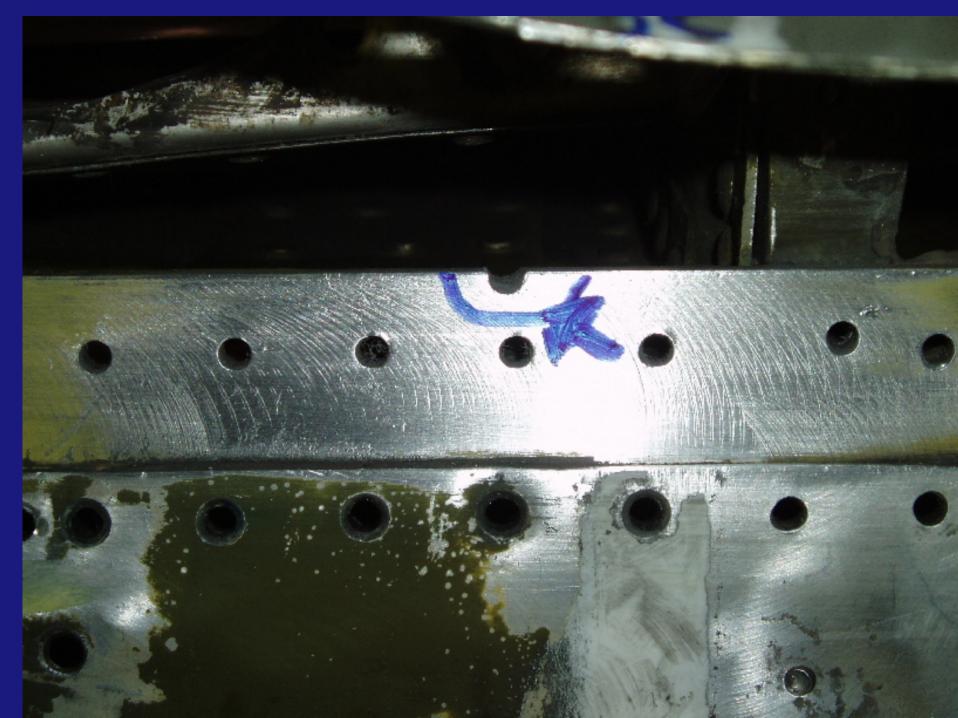






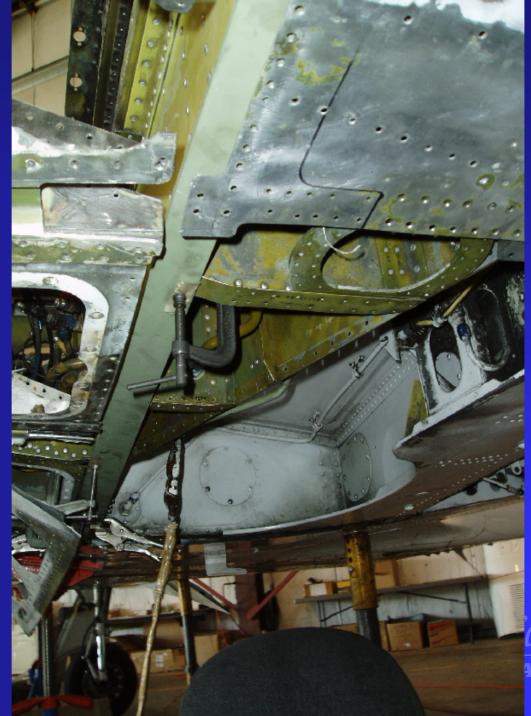








Cape Air



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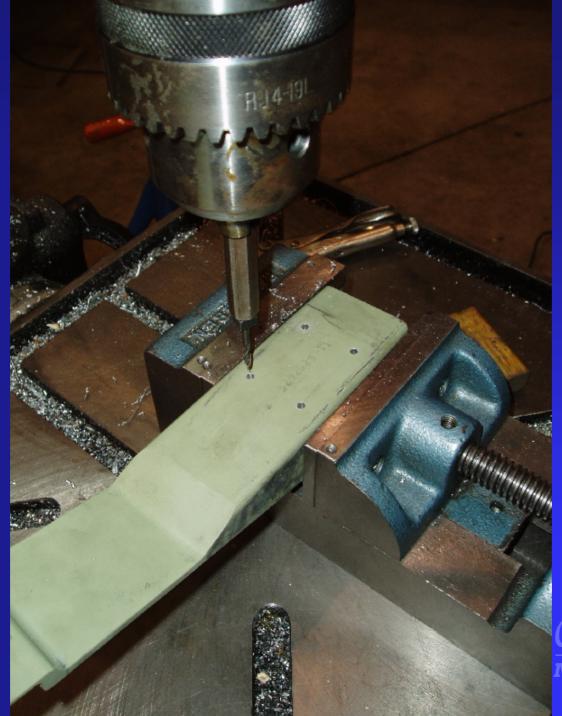




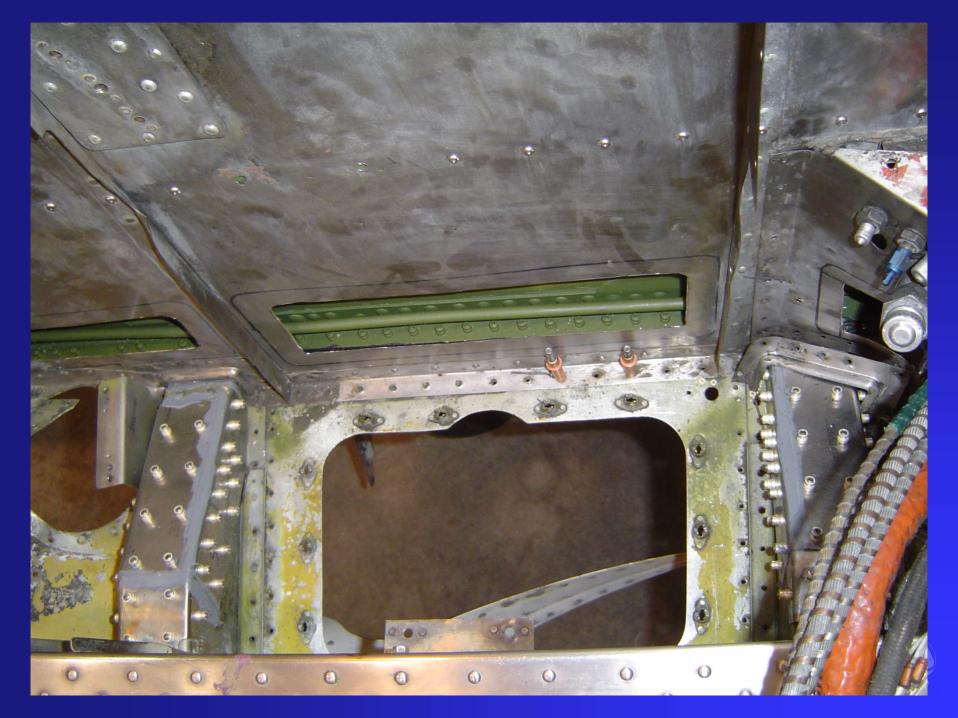


Cape Air NANTUCKET AIRLINES





Cape Air





Some Concerns

- Industry Backlog given the proposed 12 month/500hr compliance schedule
- Quality control of field repairs and training of mechanics performing the work
- Capabilities/Capacity of repair facility and efficient use of labor and space
- Time delays based on engineering support

Solutions

- Analyze industry capabilities before issuing A.D.
- Phase in compliance schedule based on T.A.T.
- TPrepare for projected engineering support
- TOversight and Training for repair facilities





